

LIM CHOONG HUAT & ORS

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v.

SYNTLZ ENTERPRISE SDN BHD & ORS

HIGH COURT MALAYA, KUALA LUMPUR

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HAMID SULTAN ABU BACKER JC

[COMMERCIAL TRIAL NO: D5(IP)-22-1411-2002]

29 JULY 2009

PATENTS: *Infringement - Anticipation and novelty - Whether automatic electronic baby cradle patentable - Anticipated by prior art - Alleged inventions obvious to person having ordinary skill in the art - No technical advancement or improvement - Obviousness test - Whether any novelty and utility - No inventive step in electronic baby cradle that involved technical advance as compared to existing knowledge - Patents Act 1983, ss. 11, 12, 14, 15*

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PATENTS: *Infringement - Invalidation of patent - Discretion of court not to invalidate patent in an invalidation proceeding - Patent registered for automatic electronic baby cradle - No element of novelty - Anticipated by prior art - Not patentable - Word "shall" in Patents Act 1983, s. 56(2) need not be construed as mandatory if justice of case requires court not to interfere - Applicant for invalidation not an aggrieved person - Justice of case did not require patent to be invalidated*

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WORDS AND PHRASES: "shall" - Patents Act 1983, s. 56(2)

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The plaintiffs who were granted patent for their product 'Automatic Electronic Baby Cradle' on 31 July 1995 alleged that the defendants had infringed on their patent. The defendants argued that they had registered patents of their own, *inter alia*, for an improved structure of A Hammock Type Infant cradle. The plaintiffs claimed, *inter alia*, for patent infringement and the defendants' counterclaim for the plaintiffs' patent to be invalidated and expunged. In essence, the defendants' case was that the plaintiffs did not invent any cradle which can be patented. The defendants contended, *inter alia*, that: (i) the plaintiffs' cradle was not an invention for purpose of s. 12(1) of the Patents Act 1983 ('Act'), as there was no problem to be solved; and (ii) there were plenty of prior art all of them in written form which had been disclosed earlier and all of the prior arts dated prior to and before the plaintiffs' patent and had all the features of the plaintiffs' claimed invention.

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A Held, dismissing the plaintiffs' claim and the defendants' counterclaim with each party bearing their own costs:

- (1) Patents under the Act can only withstand the scrutiny of court if the invention is new and useful and which has industrial application. It must have novelty and utility and it must be the inventor's own discovery, as opposed to mere verification of what was already known before the date of the patent. Under s. 15 of the Act, the patentee's inventive step must not be obvious to a person having ordinary skill in the art, in relation to any product relating to prior art. The patent will be invalidated if it is established that the invention is anticipated by prior art and that, having regard to the prior art, the inventive step would have been obvious to the skilled person. (paras 16 & 22)
- (2) Subject to s. 17, the improvement to a product *per se* does not qualify for patent protection under the Act. The problem must be in respect of the particular field and not the problem faced in a particular product, *per se* which can be easily resolved by available technology by skilled persons in the particular field. The Act imposes the obviousness test. Both of which has a nexus to the novelty test – that is to say if the prior inventor's publication contains a clear description of, or clear instructions to do or make something that would infringe on the patentee's claim if carried out after the grant of the patentee's patent, the patentee's claim will have been shown to lack the necessary novelty. It will have been anticipated. (para 47)
- (3) Parties to the proceedings did not establish the relevant criteria which are necessary to satisfy the elements stated in s. 14 and s. 12, of the Act. As a business venture the plaintiffs decided that if the movement of the cradle was automated, the sales will be better and they composed available technology in the market to move the cradle by automatic means. The defendants also did the same by making use of the available technology to rock the cradle for economic gain. There was no problem or solution they attempted to resolve as envisaged by s. 12 of the Act. There was no inventive step that involved technical advance as compared to the existing knowledge or having economic significance or both and that made the

invention not obvious to a person skilled in the art. There was no form of ingenuity as required in law to entitle the product to be patented. (para 47) A

- (4) However, the justice of the case did not require the plaintiffs as well as the defendants' patent to be invalidated because, although s. 56(2) says the court "shall" invalidate, it is trite that the word "shall" or "may" is not conclusive on the question whether the particular requirement of law is mandatory or directory. "Shall" in s. 56(2) need not be construed as mandatory if the justice of the case requires court not to interfere in relation to competing claims. The court may exercise its discretionary power to judicially not to invalidate the relevant patent in an invalidation proceeding. More so when there is nothing to protect as envisaged within the spirit and intent of the Act. (para 47) B
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- (5) Further, for s. 56 to apply, the plaintiff or defendants must be an aggrieved person. The plaintiffs or defendants were not an aggrieved person within the context of their pleadings because their product *prima facie* ought not to have been patented. (para 47) E

Case(s) referred to:

- Atlas Cycle v. State of Haryana* AIR [1979] SC 1149 (*refd*)
Aventis Farma SA (Malaysia) Sdn Bhd & Anor v. Rohibul Sabri Abas & Anor [2008] 7 CLJ 525 HC (*refd*) F
Bishwanath Prasad Radhey Shyam v. Hindustan Metal Industries [1979] 2 SCC 511 (*refd*)
Brugger v. Medic-Aid Ltd [1996] RPC 635 (*refd*)
Catric Components Ltd v. Hill & Smith Limited [1982] RPC 183 (*refd*)
Conor Medsystems Incorporated v. Angiotech Pharmaceuticals Incorporated & Ors [200] UKHL 49 (*refd*) G
Electric and Musical Industries v. Lissen [1938] 4 All ER 221 (*refd*)
Electro Cad Australia Pty Ltd & Ors v. Mejati RCS Sdn Bhd & Ors [1998] 3 CLJ Supp 196 HC (*refd*)
First Currency Choice Pte Ltd v. Main-Line Corporate Holdings Ltd And Another Appeal [2007] SGCA 50 (*refd*) H
First Currency Choice Pte Ltd v. Main-Line Corporate Holding Ltd and Another Appeal [2008] 1 SLR 335 (*refd*)
Flour Oxidizing Co Ltd v. Carr & Co Ltd [1908] 25 RPC 428 (*refd*)
Franklin v. Giddins [1978] Qd R 72 (*refd*)
Genentech Inc's Patent [1989] RPC 147 (*refd*)
General Tine & Rubber Co v. Firestone Tyre & Rubber Co Ltd & Ors [1972] RPC 457 (*refd*) I

- A** *Heveafoam Asia Sdn Bhd v. PF (Teknologi) Sdn Bhd* [1998] 1 LNS 658
(*refd*)
Hee Nyuk Fook v. PP [1988] 1 LNS 15 (*refd*)
Hindustan Lever v. Godrej Soaps [1997] PTL 756 (*refd*)
IEV International Pty Ltd v. Sadacharamani Govindasamy; Registrar of Patents (interested party) [2008] 3 CLJ 593 HC (*refd*)
- B** *Intercontinental Speciality Fats Sdn Bhd v. Asahi Denka Kogyo KK* [2000] 8 CLJ 230 HC (*refd*)
Natural Colour Kinematograph Co Ltd (In Liquidation) v. Bioschemes Ld (In The Matter of GA Smith' Patent) [1915] RPC 256 (*refd*)
Parks-Cramer Co v. G W Thornton & Sons Ltd [1966] RPC 407 (*refd*)
- C** *Peng Lian Trading Co v. Contour Optik Inc and Others* [2003] SGCA 25
(*refd*)
Philips Electronics NV v. Ingman Ltd and Another [1999] FSR (*refd*)
Plimpton v. Malcomson [1876] LR 531 (*refd*)
PP v. Muhammad Sulaiman [1982] CLJ 540; [1982] CLJ (Rep) 292 (*refd*)
Riekmann v. Thierry [1897] RPC 105 (*refd*)
- D** *Rhone-Poulenc AG Company v. Dikloride Herbicides Sdn Bhd & Anor* [1987] 1 LNS 65 (*refd*)
Rodi & Wienenberger AG v. Henry Showell Ltd [1969] 12 RPC 367 (*refd*)
Sim Ah Song & Anor v. Rex [1951] MLJ 150 (*refd*)
Starey v. Graham [1899] 1 QB 406 (*refd*)
- E** *The General Tire & Rubber v. Firestone Tyre & Rubber & Ors* [1972] RPC 457 (*refd*)
Unilever PLC etc al v. Procter & Gamble Inc et al, Fed Ct Trial Div (*refd*)
Windsurfing International v. Tabur Marine (Great Britain) Ltd [1985] RPC 59 (*refd*)
- F** **Legislation referred to:**
Patents Act 1983, ss. 11, 12(1), 13, 14, 15, 16, 17, 23, 27A(1), 29A, 30, 56(1), (2), 58, 62
Patents Regulations 1986, regs. 12(1)(a), (b), (c), (e), (f), 13(1), (5), 15(v)
- G** Patents Rules 1986, rr. 13(1), 15(1)
Patents Act 1970 [India], ss. 3(f), 64(1)
Patents Act 1977 [UK], s. 72(1)
- Other source(s) referred to:**
- H** LexisNexis, *Word & Phrase*, pp 625-627
For the plaintiff - YY Ho (TK Lee with him); M/s YY Ho & Assoc
For the defendant - PC Kok (HK Ong with him); M/s PC Kok & Co
Reported by Amutha Suppayah
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JUDGMENT**A****Hamid Sultan Abu Backer JC:**

[1] This is my judgment in respect of the plaintiffs' claim for patent infringement and the defendants' counterclaim for the plaintiffs' patent number MY-106710-A to be invalidated and expunged.

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[2] The plaintiffs' prayers can be summarised *inter alia* as follows: (a) a declaration that the plaintiffs' patent MY-106710-A is valid and subsisting in Malaysia and that it has been infringed on by the defendants, (b) an injunction to restrain the defendants from further infringing the plaintiffs' patent by producing any offending electronic cradles with features and functions attributes in the manner claimed in the plaintiffs' patent, (c) an order for the delivery or destruction of all offending cradles manufactured and distributed by the defendants with features and functions attributes in the manner claimed in the plaintiffs' patent, (d) an order for full discovery of all relevant documents, invoices etc in relation to the manufacture, use, distribution, sale and storage of the infringed electronic cradles with features and functions attributes in the manner claimed in the plaintiffs' patent, (e) an inquiry as to damages on the infringement or alternatively at the plaintiffs' option, an account of profits.

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[3] The defendants' prayers can be summarised *inter alia* as follows: (a) a declaration that the plaintiffs' patent is invalid (b) an injunction restraining the plaintiffs *inter alia* from slandering the defendants, their product model No. 2002G-1, interfering with the 1st and 4th defendants' trade and business, (c) inquiry into damages etc.

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[4] In essence, the defendants say that the plaintiffs did not invent any cradle which can be patented. The 2nd defendant had died before the commencement of the trial. The plaintiffs have agreed to drop and abandon all claims against the 2nd defendant. The plaintiffs had also initiated a similar action against another competitor in suit No. D5 (IP)-22-1147-2004. The outcome of this trial will be relevant to that suit.

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A Brief Facts

- [5] Plaintiffs were granted patent for its product ‘Automatic Electronic Baby Cradle’ on 31 July 1995, and allege that the 2nd defendant was a supplier of key materials of the patented invention and was the main director of the 1st defendant. The plaintiffs had also registered the patent in U.K. The plaintiffs allege that its products were made using and applying the teachings of the said patent, and the defendants have infringed on their patent, which the defendants deny.
- [6] The defendants say that they had registered two patents namely: (i) Patent No. MY-114651-A (for a “Structure of a Synchronous Reciprocation Tracking Device) and Patent No. My-114980-A (for an improved structure of A Hammock Type Infant cradle) which will be referred to as defendants’ patent 1 and patent two respectively. The defendants had also registered the said patent in U.K. and Singapore. The defendants allege the plaintiffs’ patent does not satisfy the conditions, requirements and provisions of ss. 11, 12, 14, 15, 16, 23, 29A, 30, 56(1) and 56(2) of PA 1983. In addition, they argue that there is no infringement, as their patents 1 and 2 are registered patents and do not fall within the plaintiffs’ claim. Furthermore, the defendants allege that the plaintiffs’ intention and scheme was to monopolise the plaintiffs’ patent and thereby destroy the defendants who are the competitors, and thus conclude that by reason of the plaintiffs: (i) suit, (ii) abuse of process of the court, (iii) slander/defamation of the defendants, their patented goods and title to their patented goods, (iv) wrongful interference of the defendants’ legitimate trade and (v) unlawful inducement of the breach of contract by the defendants’ customers against the defendants, the defendants has suffered substantial loss and damages and incurred substantial costs in defending this action.

Preliminaries

- [7] Three witnesses gave evidence for the plaintiffs and three for both defendants. Both claims involve baby cradle or spring cot which uses a spring coil to bring about an up and down motion found in all conventional cradles using spring coils. The conventional way of moving the cradle, in other words rocking the cradle is for a person to use the hand to provide an up and down motion which soothes and settles the baby placed in the cot to sleep. Alternatively, instead of using their hands, some also use a

string tied to the cot to rock the cradle. What the plaintiffs and defendants have done is to utilise technology available in the market to bring about movement of the cradle by automatic means with the support of electricity. Their said inventions were accepted by the patent office and granted registration. In my view, after having heard the evidence I realised that the invention of the plaintiffs as well as the defendants puts together known mechanical and electronic components to form a device that assist to automate the otherwise tedious task of rocking the traditional baby cradle. Both the plaintiffs and defendants gave evidence to justify their case as a lawful patentee of the product.

[8] I also note the defendants had applied separately for two patents for their model 2002-G-1 which consists of the two parts to move the spring cot. However, the plaintiffs are only seeking the defendants' patent two to be invalidated, which effectively means the defendants cannot claim any rights to patent in respect of its product, electronic cradle model 2002-G-1.

Jurisprudence Relating To Patent Law Relevant To The Case (see Narayanan (2006), Patent Law).

[9] Patent is defined in the *Concise Oxford Dictionary* 8th ed. *inter alia* to mean a government authority to an individual or organisation, conferring a right or title, especially the sole right to make or use or sell some invention. This must only be seen to be a general definition as it is subject to many qualifications. [see Indian case of *Hindustan Lever v. Godrej Soaps* [1997] PTL 756].

[10] In Malaysia, patent is a creature of statute and as a general rule the rights and protection must be found within the Patent Act 1983 (PA 1983) and Patent Regulations 1986 (PR 1986). The law of Patent need not be the same in all countries but it can be said that the law of patent in U.K or India is very much similar to the provisions found in our PA 1983, and in consequence the decisions of those courts will be helpful.

[11] The procedure and strictness in examining the patent for registration may vary from country to country. PA 1983 makes the court the ultimate adjudicator to decide on the validity of the patent; however, pure registration of the patent alone does not give any certainty to the patentee of his right as a valid patent holder. In my view, it cannot be said that *prima facie* the patentee has the exclusive right of making, using or selling etc of his

- A product. The Act only gives the true and first inventor a limited monopoly, as a reward for the invention. The question whether he is the true and first inventor can seldom be determined at the application stage at the patent office. This short coming gives vast opportunity to those who are associated with the registration of
- B patent to generate income; even more so when the validity of the patent is challenged in court. Thus, all the exercise of registration or challenge in court promotes economic activities in various manners, within the spirit and intent of the Act, with much stress that, the true and first inventor's right must always be protected
- C for the limited period, which is often seen as a daunting task for the courts.

[12] In *First Currency Choice Pte Ltd v. Main-Line Corporate Holdings Ltd And Another Appeal* [2007] SGCA 50 VK Rajah JA,

- D in delivering the judgment of the court, said:

A recent article published in *The Economist Technology Quarterly* (8 September 2007) at 23-24, "A patent improvement", provides an excellent conspectus of the congenital difficulties in regulating a patent system as follows:

- E An efficient patent system is essential for the promotion of innovation. Patents give inventors a temporary monopoly on a new idea in return for disclosing how it works, so that
- F others can subsequently build upon it. But if a patent is granted for something that is not novel (people are already doing it), or is obvious (any Tom, Dick, or Harry in the field could think it up), it can hamper innovation by turning a widely used invention or process into one person's monopoly. The trouble is that examiners cannot always tell when a patent is unwarranted. To prove that an invention
- G is not novel, the patent examiner must find evidence that others have already done everything claimed in the patent, a quest known as a "prior art" search. Prior art is also the basis for determining whether some new step claimed in the invention is obvious - and therefore not worthy of a patent. But prior art can be elusive. It might be buried in an
- H obscure technical journal, in conference slides, or in a doctoral thesis tucked away in a university library. It could even be embodied in a machine taken off the market years earlier. Finding prior art is hardest in fields where patenting is fairly new, such as software, biotechnology, financial
- I services and business methods.

These insightful observations neatly encapsulate the pragmatic rationale underpinning as well as the intrinsic tensions in the modern approach towards administering a patent protection scheme - namely, striking the right balance between stimulating the creative energies of inventors, while promoting the free flow of ideas and encouraging entrepreneurship. Striking the appropriate balance is certainly not a prosaic task. Even experts in the state of prior art often differ enormously on whether a particular claim is predicated on an inventive step, let alone whether a claim is made with sufficiency. The courts often have the unenviable task of choosing between seemingly intractable opposing views. That said, often, apparently complex technical issues when properly understood and assessed, do yield to common-sense and relatively straightforward answers.

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[13] In practice most of the patents registered may not stand the curial scrutiny of the court to be held in invalidating proceedings. The learned author TA Blanco White (3rd Ed), states the reason for granting patent as follows:

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The basic theory of the patent system is simple and reasonable. It is desirable in the public interest that industrial techniques should be improved. In order to encourage improvement, and to encourage also the disclosure of improvements in preference to their use in secret, any person devising an improvement in a manufactured article, or in machinery or methods of making it, may upon disclosure of his improvement at the Patent Office demand to be given monopoly in the use of it for a period of sixteen years (now twenty years). After that period it passes into the public domain; and the temporary monopoly is not objectionable, for if it had not been for the inventor who devised and disclosed the improvement nobody would have been able to use it at that or any other time, since nobody would know about it. Furthermore, the giving of the monopoly encourages the putting into practice of the invention, for the only way the inventor can make a profit from it (or even recover the fees for his patent) is by putting it into practice, either by using it himself, and deriving an advantage over his competitors by its use, or by allowing others to use it in return for royalties.

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[14] The Patent Act permits the granting of patent only to encourage and develop new technology. To put it crudely, it is not meant to allow old wine to be put in a new bottle and provide monopoly for traders to benefit from this at the expense

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- A of the public. If it is an improvement of a known product, it may be eligible for patent. However, it must satisfy the stringent tests set out in s. 12 and other sections of the Act. If the court takes the view that it lacks the element of ingenuity, the patent is also liable to be invalidated. The Act for providing the monopoly for
- B the patentee requires the patentee to disclose the details of the invention and the methodology involved in its working in order to enable others to make use of the invention and benefit from, after the expiration of the monopoly period. The Act *per se* does not prohibit a competitor from benefiting from the details provided by
- C the patentee and from designing an alternative product. Narayanan (2009) observes:

- D Further, a patent enables the owner to prevent others from copying what the patent monopoly covers unless he agrees to pay royalties. A competitor is also forced to design around the patent to produce an alternative to the patented product or process. This encourages the growth of technology and enables the public to get substitutes for the patented product which in turn compels the owner of the patent not to overcharge his product.
- E [15] Registration of patent does not provide *prima facie* proof that the patent is valid. The scheme of the Act and Rules only places stringent requirements and procedural step to ensure that the patent, if challenged in court in infringement proceedings or revocations proceeding, is not invalidated by the court. The
- F validity of the patent can only be decided by court. In consequence, the court must be extremely careful in granting *ex parte* or *inter parte* injunction to restrain infringement in cases of competing claims without hearing both parties and the opinion of both parties' experts even at the interlocutory stage, because the
- G granting of injunction may destroy a *bona fide* competitor and it is not within the scheme of the Act, to destroy *bona fide* competitors. In fact, the Act itself makes provisions for *bona fide* competitors who may have designed an invention primarily deriving the idea from another product and is uncertain whether the competitor will
- H face infringement proceedings to seek a declaration from the court that the performance of a specific act does not constitute an infringement of the patent. (see s. 62 PA 1983).

- I [16] It is trite that patent under PA 1983 can only withstand the scrutiny of court if the invention is new and useful and which has industrial application. In essence, it must have novelty and utility and it must be the inventor's own discovery, as opposed to mere verification of what was already known before the date of the

patent (see *Bishwanath Prasad Radhey Shyam v. Hindustan Metal Industries* [1979] 2 SCC 511 at 517). In practice and depending on the facts at times, it is quiet difficult to decide whether a particular invention is new and useful as it depends on prior art and in the particular field which includes prior publication on the subject and prior user. Courts have to rely on the evidence of experts in this area. This becomes difficult when experts do not appreciate the role and duty to the court and forget that they must be impartial and must not show bias while giving evidence. It would be ideal if the Act provides for the mandatory presence of assessors having expertise in respect of the subject matter to sit with the court and assist the court to decide on the issue of novelty and utility etc.

[17] The onerous obligation of the judge has been crudely explained in unsympathetic language by a Canadian Federal Court judge in the unreported case of *Unilever PLC etc al v. Procter & Gamble Inc et al*, *FedCt Trial Div*, 9 February 1993 as follows:

When one considers the apparent silliness of trial by a judge who is utterly unschooled in the scientific substance of a patent, hearing conflicting testimony of so-called experts who speak the antithesis of scientific verity, and lawyers who have been engaged in the particular case for years before the trial, one knows that this field cries out for reform. It wastes the scarce resources of the court, which is not configured for getting at the truth of arcane scientific contradictions. A judge unschooled in the arcane subject is at difficulty to know which of the disparate, solemnly mouthed and hotly contended 'scientific verities' is, or are, plausible. Is the eminent scientific expert with the shifty eyes and poor demeanor the one whose 'scientific verities' are not credible? Cross-examination is said to be the great engine for getting at the truth, but when the unschooled judge cannot perceive the truth, if he or she ever hears it, among all the chemical or other scientific baffle-gab, is it not a solemn exercise in silliness? Reform is much needed in the field of non-mechanical patents litigation.

I do not think judges are all "unschooled in the scientific substance" as the learned judge put it. However, it will take much time and effort for the judge to appreciate the evidence in the right perspective; more so when unscrupulous parties provide experts as witnesses who do not understand and appreciate their duty to the court as opposed to their clients. It will be more rewarding, in addition to the parties' expert evidence, if the parties agree to allow the court to appoint its own expert at the expense of the parties, to provide the necessary guidance to the court.

A [18] PA 1983 does not define patent but s. 11 of the Act defines what invention is patentable. And that section reads as follows:

11. Patentable inventions.

B An invention is patentable if it is new, involves an inventive step and is industrially applicable.

And s. 13 sets out what are not patentable and that section is not comprehensive on the subject. The meaning of invention in s. 11 is defined in s. 12 as follows:

C 12. Meaning of “invention”.

(1) An invention means an idea of an inventor which permits in practice the solution to a specific problem in the field of technology.

D (2) An invention may be or may relate to a product or process.

E [19] It must be noted that definition as to what invention is patentable and the meaning of invention may vary from country to country according to the provisions of the law. Though they may appear to be similar in spirit and intent they are not equipollent sections. For example, in India, an invention means a new product or process involving an inventive step capable of industrial application. An ‘inventive step’ in India means either a feature of an invention that involves technical advance as compared to the existing knowledge or having economic significance or both and that makes the invention not obvious to a person skilled in the art (see s. 15 PA 1983).

F [20] What is new invention is stated in s. 14 PA 1983 and often referred to as novelty. And that section reads as follows:

G 14. Novelty.

(1) An invention is new if it is not anticipated by prior art.

H (2) Prior art shall consist of:

(a) everything disclosed to the public, anywhere in the world, by written publication by oral disclosure, by use or in any other way, prior to the priority date of the patent application claiming the invention;

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- (b) the contents of a domestic patent application having an earlier priority date than the patent application referred to in paragraph (a) to the extent that such contents are included in the patent granted on the basis of the said domestic patent application. A
- (3) A disclosure made under paragraph (a) of subsection (2) shall be disregarded: B
- (a) if such disclosure occurred within one year preceding the date of the patent application and if such disclosure was by reason or in consequence of acts committed by the applicant or his predecessor in title; C
- (b) if such disclosure occurred within one year preceding the date of the patent application and if such disclosure was by reason or in consequence of any abuse of the rights of the applicant or his predecessor in title; D
- (c) if such disclosure is by way of a pending application to register the patent in the United Kingdom Patent Office as at the date of coming into force of this Act;
- (4) The provisions of subsection (2) shall not exclude the patentability of any substance or composition, comprised in the prior art, for use in a method referred to in paragraph (d) of subsection (1) of section 13, if its use in any such method is not comprised in the prior art. E
- [21]** What is an inventive step is defined in s. 15 and reads as follows: F
15. Inventive step.
- An invention shall be considered as involving an inventive step if, having regard to any matter which forms part of the prior art under paragraph (a) of subsection (2) of subsection 14, such inventive step would not have been obvious to a person having ordinary skill in the art. G
- [22]** It is trite that under s. 15, the patentee's inventive step must not be obvious to a person having ordinary skill in the art, in relation to any product relating to prior art. The patent will be invalidated by the courts if it is established that the invention is anticipated by prior art and that, having regard to the prior art, the inventive step would have been obvious to the skilled person. (see *Intercontinental Speciality Fats Sdn Bhd v. Asahi Denka Kogyo KK* [2000] 8 CLJ 230). In *Parks-Gramer v. Thornston* [1966] RPC 407 at 417, Diplock LJ observed: H
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- A Obviousness is not a concept which can be clarified by elaborate exegesis and we do not propose to cite the many cases to which we have been referred to which various judges at various times, both before and after the phrase “is obvious and does not involve any inventive step” was first inserted in the Patents Acts, have expressed the concept of obviousness, or lack of subject-matter,
- B as it was previously called, various ways appropriate to the particular invention whose validity was challenged on this ground.

- [23] It is trite that the claim as stated in the specification of the patent is the principal determinant of the scope of monopoly for which the protection is provided. In *Electric and Musical Industries v. Lissen* [1938] 4 All ER 221; 56 RPC 23, Lord Russell of Killowen said:
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- D The function of the claims is to define clearly and with precision the monopoly claimed, so that others may know the exact boundaries of the area within which they will be trespassers. Their primary object is to limit, and not to extend, the monopoly. What is not claimed is disclaimed ...

- E The person applying for patent is under a statutory duty to state in the claim clearly and distinctly, what the invention which he desires to protect is.

- [24] It is common knowledge that construction of claims is the most important and difficult topic in patent law. (see *Catnic v. Hill* [1982] RPC 183 at 243 (HL)). Learned author Narayanan summarises the principle of construction of specification as follows:
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- (1) The general rules of construction of documents apply to patent specification (2) The complete specification must be read as a whole in the context of the surrounding circumstances prevailing at the date of publication of the specification without regard to subsequent infringement or conduct of the patentee. In some cases the priority date is preferred (3) The claim cast in precise language marks out the legal limits of the monopoly granted by the patent. What is not claimed is disclaimed. It is not permissible to restrict, expand or amend the clear language of the claim by reference to a limitation in the language used in the earlier part of the specification. It is legitimate to refer to the rest of the specification to explain the background to the claims, to ascertain the meaning of the technical terms and resolve ambiguities in the construction of the claims. (4) The specification should be read and construed objectively through the eyes of the person to whom it is addressed and to
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whom common general knowledge is imputed. That person is the hypothetical or notional man of ordinary skill in the relevant art. It is not permissible to construe the claims by reference to the subjective thoughts, intentions, purposes and opinions of the patentee or his witnesses or by reference to his actions before or after the grant of the patent (5) The specification should be given a purposive construction rather than purely a literal one, see *Catnic v. Hill & Smith* [1982] RPC 183 at 243. The court asks what are the essential and novel features of the process covered by the patent which a man skilled in the art would understand (6) It is for the court, not for a witness, however expert to decide the question of construction. Experts can give evidence to enlighten the judge on the special meaning of technical or scientific terms and phrases used in the specification (7) Documents relied on as a ground of invalidity or documents subsequent to the complete specification are inadmissible (8) A patent claim must be given the same construction for the purpose of infringement as well as for invalidity.

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[25] What is industrial application is set out in s. 16 and reads as follows:

16. Industrial application.

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An invention shall be considered industrially applicable if it can be made or used in any kind of industry.

[26] Few strictures are placed to patent what is termed as utility innovations. And s. 17 states:

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17. Definition for the purposes of this Part and any regulations made under this Act

In relation to this Part, "utility innovation" means any innovation which creates a new product or process, or any new improvement of a known product or process, which is capable of industrial application, and includes an invention.

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[27] The Act makes provision for an application for a patent to be converted to a certificate for utility. For the purpose of the instant case it is necessary and sufficient to consider ss. 11, 12, 14, 15 and 16 to establish whether the patentee can sustain his patent registration. In addition, there is a strict requirement to comply with PR 1986. This is particularly emphasised in section 23 PA 1983. That section reads as follows:

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A 23. Requirements of application.

Every application for the grant of a patent shall comply with the regulations as may be prescribed by the Minister under this Act.

B [28] It must be emphasised that a patent is usually granted *ex parte* and being a monopoly it becomes imperative for the patentee to disclose his invention in his patent document in full compliance with the safeguards provided under PA 1983 and PR 1986. Failing which, it can be invalidated pursuant to s. 56(1) and (2) which reads as follows:

C 56. Invalidation of patent.

(1) Any aggrieved person may institute Court proceedings against the owner of the patent for the invalidation of the patent.

D (2) The Court shall invalidate the patent if the person requesting the invalidation proves:

E (a) that what is claimed as an invention in the patent is not an invention within the meaning of section 12 or is excluded from protection under section 13 or subsection (1) of section 31 or is not patentable because it does not comply with the requirements of sections 11, 14, 15 and 16;

F (b) that the description or the claim does not comply with the requirements of section 23;

(c) that any drawings which are necessary for the understanding of the claimed invention have not been furnished;

G (d) that the right to the patent does not belong to the person to whom the patent was granted; or

H (e) that incomplete or incorrect information has been deliberately provided or caused to be provided to the Registrar under subsection (4) of section 29A by the person to whom the patent was granted or by his agent; and

I (2A) Notwithstanding subsection (2), the Court shall not invalidate the patent on the ground mentioned in paragraph (d) of subsection (2) if the patent has been assigned to the person to whom the right to the patent belongs.

- (3) Where the provisions of subsection (1) apply on only some of the claims or some parts of a claim, such claims or parts of a claim may be declared invalid by the Court and the invalidity of part of a claim shall be declared in the form of a corresponding limitation of the claim in question.

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The invalidation can only be done on specific grounds. And the most important ground is that it is not patentable for reasons stated in s. 12. Section 12 in almost all cases when litigated cannot be considered in isolation without considering other section such as 11, 14 etc. The Act *per se* does not permit patent to be invalidated on the grounds of false suggestion, lack of utility, ambiguity or lack of fair basis etc. The Indian provisions set out in a detailed manner the grounds on which the patent can be validated. It will appear all the grounds stated in the Indian Act may equally apply here although those grounds are not specifically stated in our Act. In addition, only an aggrieved person can file the action for invalidation. The definition of aggrieved person is often liberally construed. It can encompass persons other than the true owner and inventor.

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[29] In addition, Parliament has placed additional mandatory requirement for the proposed patentee to show drawings which are necessary for the understanding of the claimed invention. (see s. 56(2)(c)). All these requirements are imposed for the protection given for the limited number of years. The public thereafter can benefit from such invention. In consequence, the proposed patentee cannot conceal any information to make it like a secret formula where one cannot understand the concept and apply it for practical purpose.

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[30] Patent protection is limited to certain time frame. Initially it was 15 years but under the new amendment it is 20 years. However trade secrets have no time frame as long as nobody discloses it. A good example is the recipe for Coco-Cola which has never been patented and is seen as the best kept secret in the world. In *Electro Cad Australia Pty Ltd & Ors v. Mejati RCS Sdn Bhd & Ors* [1998] 3 CLJ Supp 196, the court observed:

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Patents give protection only for 15 years, after which the public is free to exploit it, whereas a trade secret can remain a trade secret forever and is protected forever. For example, the Coca-Cola recipe was never patented; and yet it is one of the best kept secrets of the world. Confidential information does not have to be patentable. The case of *Talbot v. General Television Corp Pty Ltd*

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- A [1980] VR 224 dealt with a television programme concept or idea. However, those are not patentable but can and in the *Talbot* case did amount to confidential information. Also, other confidential information like, marketing information, is incapable of being patented.
- B [31] It is trite that under the PA 1983 not all inventions are patentable and not all invention is an “invention”. The criteria and distinction plays a crucial role for the court to determine the validity of a patent. Section 12(1) provides qualifying ingredient namely: (a) permits in practice the solution (b) to a specific
- C problem. In my view, s. 12 stands as a condition precedent to be satisfied by persons seeking protection under the Act.
- [32] The condition stated in s. 12 must be read with s. 11, in particular the proviso that it must be industrially applicable; and
- D must be read with s. 16 which defines “industrially applicable”. The matter does not end there as all this will also attract PR 1986, in particular r. 12(1)(f) which reads as follows:
- The description shall first state the title of the invention as appearing in the request and shall:
- E ... (f) indicate explicitly, when it is not obvious from the description or nature of the invention, the way in which the invention is industrially applicable and the way it can be made and used or, if it can only be used, the way in which
- F it can be used.
- [33] And all applications for patent must comply with the regulations as stated in s. 23. In essence, the above conditions stated are a codification of the common law principles that all patents must have utility and inutility renders a patent invalid.
- G Inutility necessarily means the invention is not useful. Patent Act does not protect inventions which are not going to be useful. In *Heaveafoam Asia Sdn Bhd v. PF (Teknologi) Sdn Bhd* [1998] 1 LNS 658 it was stated:
- H In addition ... failure to state in the description the process by which ... is to be manufactured clearly disregarded Regulation 12(1)(f) of the Patent Regulation 1986, as it is not obvious from the description or the nature of the alleged innovation the way in which it can be made.
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Inutility comes from the requirements of 'practical utility' comes being the other requirement of a utility innovation besides being new in Malaysia. Further Regulation 12(1)(f) of the PR also makes an implied reference to the innovation being 'industrially applicable'.

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The English Court of Appeal in *Tetra Molectric Ltd's Application* [1977] RPC 290 explained that when you follow deficient or insufficient information and having achieved mechanically that which the specification promises you will achieve by so following it, but the end product will not of itself achieve that promise, then that is inutility.

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Essentially, in my judgment 'inutility' means something which is not useful. Since the required parameters are missing in the instant case, as alluded to above, the desired result will not be achieved. Hence, ... is invalidated on the ground of inutility

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[34] The filing date of the application for patent plays a significant role in relation to priority date. Section 27A(1) states as follows:

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27A. Priority date.

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(1) Subject to subsection (2), the priority date of an application for a patent is the filing date of the application.

[35] And this date may be significant as prior art can be everything which has been disclosed anywhere in the world. In the case of *Haveafoam (supra)*, the court adopted the test enunciated in the case of *The General Tire & Rubber v. Firestone Tyre & Rubber & Ors* [1972] RPC 457. The court stated:

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... If the earlier publication so construed discloses the same device as the device which the patentee by his claim so construed, asserts that he has invented, the patentee's claim has been anticipated, but not otherwise. In such circumstances the patentee is not the true and first inventor of the device and his claimed invention is not new ...; but if carrying the directions continued in the prior inventor's publication will inevitably result in something being made or done which, if the patentee's patent were valid, would constitute an infringement of the patentee's claim, this circumstance demonstrate that the patentee's claim has in fact been anticipated

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What the case of *The General Tire (supra)* decided was that a patent must be considered not new/not novelty if - (i) what the patentee claims as his invention is the same as the prior art; or

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- A (ii) if the prior art were to be carried out, it would infringe on the patentee's claim. In both instances, the patentee's patent would have been anticipated by prior art.

B [36] In *Riekmann v. Thierry* [1897] RPC 105 the House of Lords opined:

But if he means that an article which is new to the market is therefore proper subject-matter for a patent, irrespective of the question whether the production of it was the result of invention, I do agree, and I am of the opinion that it is not the law.

C Now, the law upon this subject, I believe, is all to be found in the case in this House of *Harwood v. Great Northern Railway Company*, 11 H.L.C. 654. The proposition there accepted and laid down was that "a mere application of an old contrivance in the ordinary way to an analogous subject, without any novelty in the mode of applying such old contrivance to the new purpose, does not make a valid subject-matter of a patent." The law thus laid down has never since been doubted, though whether it has always been consistently followed or rightly applied may be open to question. It is not enough that the purpose is new or that there is novelty in the application, so that the article produced is in that sense new, but there must be some novelty in the mode of application. By that I understand, that in adapting the old contrivance to the new purpose, there must be difficulties to be overcome, requiring what is called invention, or there must be some ingenuity in the mode of making the adaptation.

F [37] The House of Lords in *Natural Colour Kinematograph Co Ltd (In Liquidation) v. Bioschemes Ltd (In The Matter of GA Smith's Patent)* [1915] RPC 256 observed as follows:

G At page 266:

H It is the duty of patentee to state clearly and distinctly, either in direct words or by clear and distinct reference, the nature and limits of what he claims. If he uses language which, when fairly read, is avoidably obscure or ambiguous, the Patent is invalid, whether defect be due to design or to carelessness or to want of skill

At page 271-272:

I I agree, therefore, with the judgment of Lord Justice Buckley that the Patentee has not made the invention which he describes and claims in the Specification, and an inventor who seeks to extend his invention beyond the ambit of the discovery which he has made, must take the consequences

[38] Section 58 defines infringement as follows:

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58. Acts deemed to be infringement.

Subject to subsection (1), (2) and (3) of section 37 and section 38, an infringement of a patent shall consist of the performance of any act referred to in subsection (3) of section 36 in Malaysia by a person other than the owner of the patent and without the agreement of the latter in relation to a product or a process falling within the scope of protection of the patent.

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[39] In *Rodi & Wienenberger AG v. Henry Showell Ltd* [1969] 12 RPC 367, the House of Lords opined that:

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In considering the claim the court must ascertain what are the essential integers of the claim; this remains a question of construction and no general principles can be laid down (see my observations in *Van der Lely v. Bamfords* [1961] RPC 296 at 313 approved on appeal to this House).

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Secondly, the essential integers having been ascertained, the infringing article must be considered. To constitute infringement the article must take each and every one of the essential integers of the claim ... Furthermore, where the invention, as in this case, resides in a new combination of known integers but also merely in a new arrangement and interaction of ordinary working parts it is not sufficient to show that the same result is reached; the working parts must act on one another in the way claimed in the claim of this patent. This is well illustrated by *Birmingham Sound Reproducers Ltd v Collaro Ltd* [1956] RPC 232 ...

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[40] In essence, the infringement tests require one to consider three factors, namely: (i) determine the “essential” integers (inessential integers is not important because there may be mechanical equivalent) of the plaintiff’s patent; (ii) once the “essential” integer is determined, one must then consider whether “each” and “every” “essential” integer is taken by the defendants; (iii) determine whether each of the defendants’ integers “works” the “same way” as claimed by the plaintiff in their Patent. Learned author Narayan says:

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Where the infringer has taken all the essential features claimed in the patent but has altered one or more unessential features, or has added some additional feature which may or may not of itself involve a new inventive step, it is called a ‘colourable imitation’. A process or an article which makes use of the same principle as the patented invention or achieves the same result or makes use

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- A of some only of the essential features is not a ‘colourable imitation’ in any sense relevant to patent law unless it does adopt all the essential features which the patentee has specified in his claim. Copying the ‘essential features’ of the invention is sometimes referred to as taking the ‘pith and marrow’ of the invention.

B Arguments

[41] The plaintiffs say that claim one of the plaintiffs’ patent as per patent office record reads as follows:

- C A device for effecting a repetitive rocking movement in a cradle (16), comprising an electrically driven driving means, characterised in that a non-resilient filament means (4, 4A) is first engaged with said driving means, and thereafter the free end of said non-resilient filament means (4, 4A) is engage with a rigid structure of the cradle (16); wherein the clockwise and anticlockwise oscillation of
- D said driving means initiates the reciprocal linear movement of said filament mean (4, 4A).

And the plaintiffs complain:

- E The electronic cradle model 2002G infringes claim 1 of the plaintiffs’ patent as the said electronic cradle 2002G-1 falls within the scope and ambit of the wording of claim 1 of the plaintiffs’ patent

- F The plaintiffs aver that the electronic cradle model 2002G-1 has a non-resilient filament means having one of its free end engaged to the driving means and the other end engaged to a structure in the cradle.

- G [42] The plaintiffs’ case is in essence based on their argument (i) that the defendants’ products (made according to the defendants’ own two patents) infringed upon their patent (ii) that the defendants’ patent cannot be registered as it was “anticipated” by prior art. And the defendants’ case is that (i) the plaintiffs’ patent is not a valid patent as it contravenes ss. 11, 12, 14, 15, 16, 23 PA 1983, PR 1986 and pertinently warrants the application of the invalidation provision in ss. 56(2)(a), (b) and (c), (ii) the
- H defendants’ product does not infringe on the patent as it falls outside the scope of the plaintiffs’ patent under s. 58 PA 1983.

- I [43] In essence, the defendants say that: (i) it is not a “patentable invention” under s. 12(ii) it is not an “invention” under s. 12(iii) is not a “novel/new invention” as it has been anticipated by prior art under s. 14(iv) the description and claim

of the plaintiffs' patent does not comply with section, ie, Patents Regulations 12(1)(a), (b), (c), (e), (f) and 13(1), (5) and 15(v) does not contain or has not furnished the necessary drawings which are necessary for the understanding of the claim (vi) it contains incomplete and incorrect information deliberately provided to the patent office. And in addition the defendants' invention does not infringe on the plaintiffs' patent as it falls outside the scope of the plaintiffs' patent.

[44] The defendants' argument can be summarised as follows:

- (a) The defendants say the plaintiffs during evidence has admitted that there was no problem in the relevant field of technology and in consequence it is not an invention for purpose of s. 12(1), as there was no problem to be solved. In addition, the plaintiffs in their patent stated that:

BACKGROUND

Generally, rocking of a cradle for soothing a baby to sleep is done manually by an adult, particularly a mother. This can be a tiresome task and requires great patience.

And the plaintiffs also had said:

This invention relates to a device and mechanism for imparting a reciprocating movement to a cradle or the like, giving the same effect as would be achieved by a mother rocking a cradle carrying a baby.

In consequence, the defendants say the above problem has already been solved by 'prior arts' and this was acknowledged by the plaintiffs themselves when they said:

Commercially, automatic cradle is available and it is usually electrically operated ...

There was also unrebutted evidence during trial that:

there were many "prior arts" baby cradle devices which is a "device/mechanism for imparting a reciprocating movement to a cradle or the like, giving the same effect as would be achieved by a mother rocking a cradle carrying a baby

A (b) The plaintiffs have stated:

this invention ... for imparting a reciprocating movement to a cradle ...

B One object of the present invention is to do away with any form of adjustment to the device ...

Another object of the invention is to make it operable on alternating current or direct current such as battery source

C (c) To this defendants say that (i) it does not impact a reciprocating movement but merely maintain a reciprocating movement (ii) does not do away with any form of adjustment but rather in reality it needs adjustment (iii) does not operate on a battery source more so when one puts a 5kg baby on the cradle (iv) plaintiffs have never explained and kept wholly silent in its patent as to how the alleged invention is able to use simple batteries (v) does not work on 2 pulleys but in reality, as shown in their actual end product it can only work on 4 pulleys (vi) does not work without tension springs but the patent document says it can work without tension springs by simply relying on the electrically driven driving means and non-resilient filament means. And the plaintiff who gave evidence has admitted that the reciprocal movement of his alleged invention is caused by the tension springs and not the claimed electrically driven driving means or the non-resilient filament means (vii) the patent document does not disclose the exact design of the electrical circuit and the electronic circuitry. This was confirmed by the plaintiffs' expert witness. And concludes as follows:

G (a) The plaintiffs' patent does not achieve the results it promises to achieve. The promised result is not achieved and can never be achieved if one were to follow the plaintiffs' patent document.

H (b) The plaintiffs' invention as disclosed in its patent is NOT industrially applicable as it cannot be made or used based on the plaintiffs' own patent.

I (c) There is a complete failure to comply with Section 11, 12, 16, 23 Patent Act 1983 and Regulation 12(1)(f) Patent Regulations 1986.

- (d) In this case, the filing date of the plaintiffs' application was on 21 March 1990 and the defendants say there were plenty of prior art all of them in written form which has been disclosed earlier. And the defendants' expert witness DW3 confirms that all of the prior arts dated prior to and before the plaintiffs' patent, has all the features of the plaintiffs' claimed invention. In reliance of the case of *Riekmann (supra)*, the defendants submit that:
- The plaintiffs have not created any new purpose or use for the old contrivance of a pulley (to lift/lower a thing with weight/mass up and down). There is no ingenuity. It may be acceptable if the plaintiffs have used the old contrivance of a pulley to create a rocket engine or space ship travelling at the speed of light. However, this is not the case on the particular facts of this case. There is no new purpose or use created by the plaintiff in respect of the old contrivance of a pulley. The plaintiffs' invention is not a valid and proper subject-matter of a patent.
- (e) In addition, the defendants say that the plaintiffs' claim is a 'Jepson' claim. A 'Jepson' claim is a form of patent claim whereby the inventor disclaims ownership or novelty to certain features. In the present case, the plaintiffs disclaimed: (i) a repetitive movement (ii) an electrically driven driving means (iii) an electrically driven driving means which creates the repetitive movement. In consequences, the defendants say if it is prior art then the defendants cannot claim ownership or novelty.
- (f) The defendants also say that two of their expert witnesses who have ordinary skill in the art has given evidence that the plaintiffs invention has no inventive step, since it is anticipated by prior art. This evidence remains unrebutted.
- (g) The defendants complain that the plaintiffs' patent as disclosed in its patent is not industrially applicable as relevant disclosures were not made and it breaches the provision of s. 23. In essence, the defendants say the plaintiffs' invention does not tell how the plaintiffs' invention really works and can be made or used which was never disclosed in the plaintiffs' patent. And relies on the case of *Plimpton v. Malcomson* [1876] LR 531 where it was stated:

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- A If I understand the rules of patent law, you must not mislead people by telling them to do something wrong, and leaving them to find out the mistake ... then I think it is clearly insufficient, because it tells you to do something which cannot be done to make the thing useful ... You must not give people mechanical problem and call them specifications ...
- B

And asserts that it is mandatory requirement under r. 13(1) of PR 1986 that:

- C The claim shall be clear and concise and fully supported by the description ...
- (h) And also says that the plaintiffs' U.K. patent has been differently worded with particulars which is absent in the Malaysian Patent, and that lack of information breaches s. 23 PA 1983.
- D
- (i) The defendants also complain that the plaintiffs' patent does not comply with r. 15(1) of PR 1986 whereby the necessary drawings, for the understanding of its inventions were not furnished. And says that from the evidence it is clear that there was admission of material non-disclosure of all the important drawings and explanations. And relies on the House of Lords case of *Natural Colour Kinematograph Co. Ltd (In Liquidation) v. Bioschemes Ltd (In The Matter of G.A. Smith's Patent)* [1915] RPC 256, where it was stated:
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- G Further, though it may be true that in construing an instrument inter parts the court is bound to make up its mind as to the true meaning that is far from being the case with a specification. It is open to the court to conclude that the terms of a specification are so ambiguous that its proper construction must always remain a matter of doubt, and in such a case, even if the specification had been prepared in perfect good faith, the duty of the court would be to declare the patent void. Once again, though the court may consider that the specification is reasonably clear, yet if the specification contain statements calculated to mislead the persons to whom it is addressed, and render it difficult for them without trial and experiment to comprehend in what manner the patentee intends his invention to be performed, these statements may avoid the patent.
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- (j) The defendants say on the assumption the plaintiffs' patent is valid that the defendants' patent does not infringe on the plaintiffs' patent because it (i) does not have the same 'essential integers', (ii) does not work the 'same every' essential integer of the plaintiffs' invention and (iii) does not work the 'same way' as claimed by the plaintiffs' invention/ patent. And relies on the House of Lords decision of *Rodi & Wienenberger AG v. Henry Showell Ltd* [1969] 12 RPC 367. A B
- (k) The defendants also say that the defendants' patent is not an anticipated prior art, as the defendants' invention has integers and elements that are wholly different from the plaintiffs' invention as it works wholly different from the plaintiffs' invention. And concludes by saying that the plaintiffs' patent expires in about ten month's time and in consequence the plaintiffs are not entitled to any permanent injunction as prayed. C D

[45] The plaintiffs in essence says that there is no denial of the defendants selling the offending product Model 2002G-1 and the main issue falls on the validity of the plaintiffs' patent. And says the crucial evidence rest on the expert who testified for and against the validity of the plaintiffs' patent. E

[46] The plaintiffs and defendants rely on the following cases namely: (a) *Conor Medsystems Incorporated v. Angiotech Pharmaceuticals Incorporated & Ors* [200] UKHL 49, (b) *Catric Components Ltd v. Hill & Smith Limited* [1982] RPC 183, (c) *Rhone-Poulenc AG Company v. Dikloride Herbicides Sdn Bhd & Anor* [1987] 1 LNS 65, (d) *Aventis Farma SA (Malaysia) Sdn Bhd & Anor v. Rohibul Sabri Abas & Anor* [2008] 7 CLJ 525, (e) *Philips Electronics NV v. Ingman Ltd and Another* [1999] FSR, (f) *IEV International Pty Ltd v. Sadacharamani Govindasamy; Registrar of Patents (interested party)* [2008] 3 CLJ 593, (g) *Franklin v. Giddins* [1978] Qd R 72 (SC), (h) *The General Tire & Rubber Company v. The firestone Tyre and Rubber Co. Ltd & Others* [1972] RPC 457, (i) *First Currency Choice Pte Ltd v. Main-Line Corporate Holding Ltd and Another Appeal* [2008] 1 SLR 335, (j) *Windsurfing International v. Tabur Marine (Great Britain) Ltd* [1985] RPC 59, (k) *Brugger v. Medic-Aid Ltd* [1996] RPC 635, (l) *Parks-Cramer Co. v. G W Thornton & Sons Ltd* [1966] RPC 407, (m) *Haveafoam Asia Sdn Bhd v. PF (Teknologi) Sdn Bhd* [2001] 2 MLJ 660, (n) *Public Prosecutor v.* F G H I

- A *Muhammad bin Sulaiman* [1982] CLJ 540; [1982] CLJ (Rep) 292
(o) *Sim Ah Song & Anor v. Rex* [1951] MLJ 150, (p) *Peng Lian Trading Co. v. Contour Optik Inc and Others* [2003] SGCA 25.

B [47] I have heard the evidence, read the documents and submission of the parties in detail. I take the view the plaintiffs' claim and the defendants' counterclaim must be dismissed. My reasons *inter alia* are as follows:

- C (a) It is trite that the protection afforded by patent law is to reward those who make substantial discovery which can qualify as invention under the Act. And the Act militates against the grant of patent or recognition to trifling devices which stand as an improvement to existing product, which however is not a solution to a problem in the particular field. Subject to s. 17, the improvement to a product *per se* in my view does not qualify for patent protection under the Act. The problem must be in respect of the particular field and not the problem faced in a particular product, *per se* which can be easily resolved by available technology by skilled persons in the particular field. This distinction is important to preserve the sanctity of the Act, and courts often do so by insisting on the element of ingenuity for the product to be patented. And the Act imposes the obviousness test. Both of which has a nexus to the novelty test – that is to say if the prior inventor's publication contains a clear description of, or clear instructions to do or make something that would infringe on the patentee's claim if carried out after the grant of the patentee's patent, the patentee's claim will have been shown to lack the necessary novelty, that is to say, it will have been anticipated. In addition, to anticipate the patentee's claim the prior publication must contain clear and unmistakeable directions to do what the patentee claims to have invented: (see *Flour Oxidizing Co Ltd v. Carr & Co Ltd* [1908] 25 RPC 428, *General Tire & Rubber Co v. Firestone Tyre & Rubber Co Ltd & Ors* [1972] RPC 457).
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- I (b) From decided cases and writings of well established authors to consider the issue of obviousness the following factors need to be considered namely: (a) What was the problem which the patented development addressed? (b) How long had that problem existed? (c) How significant was the problem seen to be? (d) How widely known was the problem and how many

- were likely to have been seeking a solution? (e) What prior art would have been likely to be known to those expected to have been involved in finding a solution? (f) What other solutions were put forward in the period leading up to the publication of the patentee's development? (g) To what extent were there factors which would have held back the exploitation of the solution even it is was technically obvious (h) How well had the patentee's development been received? (i) To what extent could it be shown that the commercial success was due to the technical merits of the development? (see *P. Narayanan* 2006; *Windsurfing International Inc v. Tabur Marine* [1985] RPC 59; *Genentech Inc's Patent* [1989] RPC 147, 241). It is my finding that parties to the proceedings did not establish the relevant criteria which are necessary to satisfy the elements stated in s. 14 as well as s. 12, of the Act.
- (c) In the instant case, both the plaintiffs and defendants are traders. One of the products the plaintiffs were selling was baby cradle. The plaintiffs themselves were not persons having tertiary qualification in any field of knowledge. As a business venture they decided that if the movement of the cradle is automated, the sales will be better and they composed available technology in the market to move the cradle by automatic means. The sales were good and in consequence the defendants also did the same by making use of the available technology to rock the cradle for economic gain. There was no problem or solution they attempted to resolve as envisaged by s. 12 of the Act. For example, fear of gas explosion dampens the enthusiasm for gas-powered cars. It is common knowledge that gas powered cars are much more economical. And skilled persons in the field will confirm that there is a problem relating to explosion and there is no known solution yet as to what will totally eradicate the possibility of explosion. If any one comes out with an invention or even an inventive step in the present models then s. 12 criteria will be satisfied. And it is very likely the product will be patented.
- (d) In addition, I will say there was no inventive step that involves technical advance as compared to the existing knowledge or having economic significance or both and that makes the invention not obvious to a person skilled in the art. By no stretch of imagination will I say there was any form of ingenuity as required in law to entitle the product to be

- A patented. Even O level or A level science students may be able to suggest a mechanical step to move the cradle automatically. Seldom would people, who have the skill and knowledge, want to create machines which will be of no use or would not be commercially viable. For example, with the available
- B technology you can rock a chair by automatic means. But rarely will you find a rocking chair by automatic means as it may not be commercially viable. The traders in the instant case patented their product because they knew it was commercially viable to sell their product and they wanted the
- C monopoly. The monopoly under the Patent Act is not meant to extent to such traders.
- (e) In India, their s. 3 of the Patent Act specifically states what are not inventions; in particular s. 3(f) says the mere
- D arrangement or re-arrangement of duplication of known devices each functioning independently of one another in a known way. Though our Malaysian Act s. 13 deals with non-patentable inventions it does not carry a specific provision like s. 3(f). However, the other provision of the Act will make it
- E clear that what is stated in 3(f) will equally apply here.
- (f) In this case, each party's experts were able to support their party's product only and were giving negative views of the other's. Such evidence will only show that neither of the
- F products qualifies the test of novelty and/or ingenuity as no expert who gave evidence was prepared to say the other's product qualifies for such salutation. Both the plaintiffs and defendants were only attempting by expert evidence to slit each others throat for commercial gain. Such a state of affairs arises because the products they claim as invention does not
- G satisfy the strict criteria set down in ss. 11, 12, 14, 15 etc. The tests in all these sections are not subjective but objective. And in consequence what is made to look as extremely complex, can be deciphered and assessed to see the light from the evidence of experts, to derive at an objective conclusion
- H which a sound mind cannot reject.
- (g) There is much merit in the learned counsel for the defendants' submission on the facts of the case in stating what is the novelty in the mode of application of the plaintiffs' invention
- I which is new in the sense that it is different from the normal function/ use of the prior arts or the old elements/contrivance

of lifting up or lowering down a load (thing/matter with a weight) in a reciprocal linear movement. In my view there is none. No doubt, simplicity is not equivalent to obviousness but simplicity must be a new use (over and above its normal function) and not an analogous use. Plaintiffs have not done that and failed on this ground. The said submission of the counsel will equally apply to the defendants' product.

- (h) In this case the ingredients of s. 12 were never established by both parties, to entitle them the relevant relief. It is trite that under the PA 1983 not all inventions are patentable and not all invention is an "invention". The criteria and distinction plays a crucial role for the court to determine the validity of a patent. Section 12(1) provides qualifying ingredient namely: (a) permits in practice the solution (b) to a specific problem. I am satisfied that other provisions of the Act as stated in s. 56 will apply on the facts of the case to invalidate the patent. However, I do not think the justice of the case requires the plaintiffs as well as the defendants' patent to be invalidated. There are two reasons. Firstly, s. 56(2) says the court "shall" invalidate. However the relevant provision in UK and India says "may". In United Kingdom, s. 72(1) Patents Act 1977 states as follows:

Subject to the following provisions of this Act, the Court or the comptroller **may** on the application of any person by order revoke a patent for an invention on any of the following grounds ...

The position in India is in s. 64(1) Patents Act 1970 which states that:

Subject to the provisions contained in this Act, a patent ... **may**, on the petition of any person interested ... be revoked by the High Court on any of the following grounds ...

It is trite that the word "shall" or "may" is not conclusive on the question whether the particular requirement of law is mandatory or directory. Lexis Nexis, "*Word & Phrase*" at pp. 625-627 at para [S0207] it is stated:

... The use of words 'shall' or 'may' is not conclusive on the question whether the particular requirement of law is mandatory or directory. But the circumstance that the legislature has used a language of compulsive force is

- A always of great relevant and in the absence of anything contrary in the context indicating that a permissive interpretation is permissible, the statute ought to be construed as peremptory ...
- B (See *Hee Nyuk Fook v. Public Prosecutor* [1988] 1 LNS 15; *Atlas Cycle v. State of Haryana* AIR [1979] SC 1149; *Starey v. Graham* [1899] 1 QB 406).
- C In my view “shall” in s. 56(2) need not be construed as mandatory if the justice of the case requires court not to interfere in relation to competing claims. And the court may exercise its discretionary power to judicially not to invalidate the relevant patent in an invalidation proceeding. More so when there is nothing to protect as envisaged within the spirit and intent of the Act. The other reason is that for s. 56 to apply the plaintiff or defendants must be an aggrieved person.
- D (i) The plaintiffs or defendants cannot be said to be an aggrieved person within the context of their pleadings because their product *prima facie* ought not to have been patented. The protection under the Act is meant to be a reward for the true owner and inventor. By invalidating both their products the law will not prohibit them to continue to sell their products. Though it is my finding that the plaintiffs and defendants are not true owners and inventors as envisaged by the Act by not invalidating their product, they can still continue to sell the product in any event but now with the knowledge that they are not a protected species under the Act.
- E
- F
- G [48] For reasons stated above, I dismiss the plaintiffs’ claim and the defendants’ counterclaim. Each party to bear their own costs.
- [49] I hereby order so.

H

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